

## § 401.129

b. If you are going to claim an indemnity on any unit, you must give us notice not later than 72 hours after the earliest of:

- (1) Total destruction of the cranberries on the unit;
- (2) Discontinuance of harvest of any acreage on the unit; or
- (3) The date harvest would normally start in the area if any acreage on the unit is not to be harvested.

c. Unless notice has been given under section b. above, and in addition to the other notices required by this section, if you are going to claim an indemnity on any unit, you must give us written notice not later than 10 days after the earlier of:

- (1) Harvest of the unit; or
- (2) November 20 of the crop year.

### 7. Claim for Indemnity

a. In addition to the provisions of subsection 9.b. of the general crop insurance policy, we will not pay any indemnity unless you authorize us, in writing, to examine and obtain any records from any person or entity pertaining to the production and marketing of the insured cranberries.

b. The indemnity will be determined on each unit by:

- (1) Multiplying the insured acreage by the production guarantee;
- (2) Subtracting from that result the total production of cranberries to be counted (see subsection 7.c.);
- (3) Multiplying the remainder by the price election; and
- (4) Multiplying this result by your share.

c. The total production (in barrels) to be counted for a unit will include all harvested and appraised production.

(1) Cranberry production which, due to insurable causes, is determined not to meet quality requirements of the receiving handler, would not meet those requirements if properly handled, and has a value of less than 75 percent of the market price for cranberries meeting the minimum requirements will be adjusted by:

(a) Dividing the value per barrel of such cranberries by the market price per barrel for cranberries meeting the minimum requirements; and

(b) Multiplying the result by the number of barrels of such cranberries.

(2) Appraised production to be counted will include:

(a) Potential production lost due to uninsured causes and failure to follow recognized good cranberry farming practices;

(b) Not less than the guarantee for any acreage which is abandoned, damaged solely by an uninsured cause or destroyed by you without our consent; and

(c) Any unharvested production.

(3) Any appraisal we have made on insured acreage will be considered production to count unless such acreage is:

(a) Not harvested before the harvest of cranberries becomes general in the county and reappraised by us;

(b) Further damaged by an insured cause and reappraised by us; or

(c) Harvested.

(4) We may determine the amount of production of any unharvested cranberries on the basis of field appraisals conducted after the end of the insurance period.

### 8. Cancellation and Termination Date

The cancellation and termination date is November 20.

### 9. Contract Changes

All contract changes will be available at your service office by August 31 preceding the cancellation date.

### 10. Meaning of Terms

a. *Barrel* means 100 pounds of cranberries.

b. *Direct damage* means actual physical damage to the equipment or facilities which is the direct result of an insurable cause of loss.

c. *Harvest* means picking of the cranberries from the vines for the purpose of removal from the land.

d. *Irrigation equipment, facilities, and water supply* means the supply of water and the mechanical and constructed equipment and facilities used to deliver the water to the cranberry crop so as to prevent damage due to drought or freeze.

e. *Non-contiguous land* means land which is not touching at any point. Land that is separated only by a public or private right-of-way will be considered contiguous.

[54 FR 20501, May 12, 1989, as amended at 62 FR 5905, Feb. 10, 1997]

## § 401.129 Tobacco (guaranteed plan) endorsement.

The provisions of the Tobacco (Guaranteed Plan) Crop Insurance Endorsement for the 1990 and subsequent crop years are as follows:

### FEDERAL CROP INSURANCE CORPORATION

#### *Tobacco (Guaranteed Plan) Endorsement*

### 1. Insured Crop and Acreage

a. The crop insured will be any of the following tobacco types you elect which are grown on insured acreage and for which a guarantee and premium rate are provided by the actuarial table:

Flue Cured

Type 11A

Type 11B

Type 12

Type 13

Type 14

## 7 CFR Ch. IV (1–198 Edition)

Maryland  
 Type 32  
 Cigar Filler  
 Type 41  
 Type 42  
 Type 44  
 Cigar Wrapper  
 Type 61  
 Type 55  
 Fire Cured  
 Type 21  
 Type 22  
 Type 23  
 Burley  
 Type 31  
 Dark Air  
 Type 35  
 Type 36  
 Type 37  
 Cigar Binder  
 Type 51  
 Type 52  
 Type 54

b. In addition to the acreage not insurable under section 2 of the general crop insurance policy, we do not insure any acreage:

(1) On which the tobacco was destroyed or put to another use for the purpose of conforming with any other program administered by the United States Department of Agriculture; or

(2) Planted to tobacco of a discount variety under provisions of the tobacco price support program.

## 2. Causes of Loss

The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

- a. Adverse weather conditions;
  - b. Fire;
  - c. Insects;
  - d. Plant disease;
  - e. Wildlife;
  - f. Earthquake;
  - g. Volcanic eruption; or
  - h. If applicable, failure of the irrigation water supply due to an unavoidable cause occurring after the beginning of planting;
- unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the general crop insurance policy.

## 3. Annual Premium

a. The annual premium amount is computed by multiplying the production guarantee for the unit times the applicable price election, times the premium rate, times the insured acreage, times your share at the time of planting, applying any applicable premium adjustment percentage for which you may qualify as shown on the actuarial table.

b. If you are eligible for a premium reduction in excess of 5 percent based on your in-

surance experience through the 1985 crop year under the terms of the experience table contained in the guaranteed tobacco policy in effect for the 1986 crop year, you will continue to receive the benefit of the reduction subject to the following conditions:

(1) No premium reduction will be retained after the 1991 crop year;

(2) The premium reduction amount will not increase because of favorable experience;

(3) The premium reduction amount will decrease because of unfavorable experience in accordance with the terms of the policy in effect for the 1986 crop year;

(4) Once the loss ratio exceeds .80, no further premium reduction will apply; and

(5) Participation must be continuous.

## 4. Insurance Period

In lieu of the provisions of section 7 of the general crop insurance policy the following will apply:

Insurance attaches on each unit or part of a unit when the tobacco is planted (see subsection 10(e)) and ends at the earliest of:

- a. Total destruction of the tobacco;
- b. Weighing-in at the tobacco warehouse;
- c. Removal of the tobacco from the unit (except for curing, grading, packing, or immediate delivery to the tobacco warehouse);
- d. Final adjustment of a loss; or
- e. On the following dates of the crop year:

- (1) Types 11 and 12—November 30;
- (2) Type 13—October 31;
- (3) Type 14—October 15;
- (4) Types 31 & 36—February 28;
- (5) Types 21, 35 and 37—March 15;
- (6) Types 22 and 23—April 15;
- (7) Type 32—May 15;
- (8) All other types—April 30.

## 5. Unit Division

1. Tobacco acreage of an insurable type that would otherwise be one unit, as defined in section 17 of the general crop insurance policy, may be divided into more than one unit if for each proposed unit:

a. You maintain written verifiable records of planted acreage and harvested production for at least the previous crop year and production reports based on those records are filed to obtain an insurance guarantee; and

b. Acreage planted to insured tobacco is located on land identified by separate ASCS Farm Serial Numbers, provided:

(1) The boundaries of the ASCS Farm Serial Numbers are clearly identified and the insured acreage is easily determined; and

(2) The tobacco is planted in such a manner that the planting pattern does not continue into an adjacent ASCS Farm Serial Number.

If you have a loss on any unit, production records for all harvested units must be provided. If your tobacco acreage is not in a divided unit as provided above, your premium will be reduced as provided by the actuarial

table. Production that is commingled between optional units will cause those units to be combined for insurance purposes only.

#### 6. Notice of Damage or Loss

For purposes of section 8 of the general crop insurance policy; the representative sample of the unharvested crop must be at least 10 feet wide and the entire length of each field.

#### 7. Claim for Indemnity

a. An indemnity will be determined for each unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting therefrom the total production of tobacco to be counted (see subsection 7.b.);

(3) Multiplying the remainder by the applicable price election; and

(4) Multiplying this result by your share.

b. The total production (in pounds) to be counted for a unit will include all harvested and appraised production.

(1) Harvested tobacco production which, due to insurable causes, has a value less than the market price for tobacco of the same type, will be adjusted by:

(a) Dividing the average value per pound of the harvested production by the market price per pound; and

(b) Multiplying that result by the number of pounds of such damaged harvested tobacco.

(c) If due to insurable causes there is no market price available for the grade being adjusted, the production to count will be reduced 20% for each grade that the production falls below the lowest grade with a market price (see subsection 10.d.(2)).

(2) All harvested tobacco production which is not damaged by insurable causes and cannot be sold in the current market year will be considered production to count.

(3) To enable us to determine the fair market value of tobacco not sold through auction warehouses, we must be allowed:

(a) To inspect such tobacco before it is sold, contracted to be sold, or otherwise disposed of; and

(b) At our option to obtain additional offers on your behalf.

(4) Appraised production to be counted will include:

(a) Not less than the guarantee for any acreage which is abandoned or put to another use without our prior written consent or damaged solely by an uninsured cause;

(b) Not less than 35 percent of the guarantee for all unharvested acreage;

(c) Unharvested production on harvested acreage; and

(d) Potential production lost due to uninsured cause and to failure to follow recognized good tobacco farming practices.

(5) We may appraise any acreage of tobacco types 11, 12, 13, or 14 on which the stalks have been destroyed without our consent at not less than the guarantee.

(6) Any appraisal we have made on insured acreage for which we have given written consent to be put to another use will be considered production unless such acreage is:

(a) Not put to another use before harvest of tobacco becomes general in the county and reappraised by us; or

(b) Further damaged by an insured cause and reappraised by us; or

(c) Harvested.

(7) The commingled production of units will be prorated to such units in proportion to our liability on the harvested acreage of each unit.

(8) No replanting payment will be made under this endorsement.

#### 8. Cancellation and Termination Dates

State and county	Cancellation and termination dates
Alabama; Florida; Georgia; South Carolina; and Surry, Wilkes, Caldwell, Burke, and Cleveland Counties, North Carolina, and all North Carolina counties east thereof..	March 31
All other North Carolina Counties and all other states.	April 15

#### 9. Contract Changes

Contract changes will be available at your service office by December 31 prior to the cancellation date.

#### 10. Meaning of Terms

a. *Average value per pound* means the total value of all harvested production from the unit divided by the harvested pounds and may include the value of any harvested production which is not sold.

b. *County* means the land defined in the general crop insurance policy and any land identified by an ASCS Farm Serial Number for the county but physically located in another county.

c. *Harvest* means the completion of cutting or priming of tobacco on any acreage from which at least 20 percent of the production guarantee per acre shown by the actuarial table is cut or primed with the intent of marketing.

d. *Market price*:

(1) For types, 11, 12, 13, 14, 21, 22, 23, 31, 35, 36, 37, 42, 44, 54, and 55, means the average price support level per pound for the insured type of tobacco as announced by the United States Department of Agriculture under the tobacco price support program (if for any crop year price support for the insured type is not in effect, we will use the season average price in the belt or area through the day

tobacco sales are completed on any unit or part thereof which is harvested); and

(2) For types 32, 41, 51, 52, and 61 means the season average price for the applicable type of tobacco, (such price will be the season average price for the current crop year for any unit or part thereof which is harvested) and may be established by including the value of sold and unsold production.

e. *Planting* means transplanting the tobacco plant from the bed into the field.

[54 FR 48070, Nov. 21, 1989]

#### § 401.130 Grape endorsement.

The provisions of the Grape Endorsement for the 1991 through 1997 (1990 through 1997 in California) crop years are as follows:

##### FEDERAL CROP INSURANCE CORPORATION

##### *Grape Endorsement*

##### 1. Insured Crop

a. The crop insured;

(1) For California only, will be any insurable variety of grapes you elect which are grown for wine, juice, raisins or canning.

(2) For all other states, will be all insurable varieties of grapes which are grown for wine, juice, raisins or canning.

b. In addition to the grapes not insurable under section 2 of the General Crop Insurance Policy, we do not insure any grapes:

(1) If the producing vines, after being set out or grafted, have not reached the number of growing seasons designated by the actuarial table;

(2) If the producing vines have not produced an average of two (2) tons of grapes per acre; or

(3) Produced by vines where there is less than a ninety percent (90%) stand of bearing vines based on the current planting pattern; unless inspected by us and we agree, in writing, to insure such grapes.

##### 2. Causes of Loss

a. The insurance provided is against unavoidable loss of production resulting from the following causes occurring within the insurance period:

(1) Adverse weather conditions;

(2) Fire;

(3) Wildlife;

(4) Earthquake;

(5) Volcanic eruption; or

(6) If applicable, failure of the irrigation water supply; unless those causes are excepted, excluded, or limited by the actuarial table or section 9 of the General Crop Insurance Policy.

b. In addition to the causes of loss not insured against under section 1 of the General Crop Insurance Policy, we will not insure

against any loss of production due to fire if weeds and other forms of undergrowth have not been controlled or vine pruning debris has not been removed from the vineyard. We also specifically do not insure against the inability to market the grapes as a direct result of quarantine, boycott, or refusal of any entity to accept production, unless production has actual physical damage due to a cause specified in subsection 2.a. above.

##### 3. Report of Acreage, Share, Practice, and Type (Acreage Report)

In addition to the information required by section 3 of the General Crop Insurance Policy, you must report the crop type and variety.

##### 4. Coverage Levels and Price Elections

Only one coverage level (50%, 65%, or 75%) and only one price election set (high, medium, or low) will be applicable to all your insurable grapes.

##### 5. Production Reporting and Production Guarantees

In addition to the information required in section 4 of the General Crop Insurance Policy, you must report:

a. The number of bearing vines; and

b. Any vine damage or change in farming practices which may reduce yields from previous levels.

##### 6. Annual Premium

The annual premium amount is computed by multiplying the production guarantee times the price election, times the premium rate, times the insured acreage, times your share on the date insurance attaches, times any applicable premium adjustment percentage for which you may qualify as shown in the actuarial table.

##### 7. Insurance Period

a. The calendar date on which insurance attaches is:

(1) November 21 in Idaho, Oregon, and Washington;

(2) February 1 in California; and

(3) December 11 in all other states.

b. The date harvest should have started on any acreage which is not harvested, is added to section 7 of the General Crop Insurance Policy as one of the items which ends the insurance period.

c. The calendar date for the end of the insurance period is:

(1) October 10 in Mississippi;

(2) November 10 in California, Idaho, Oregon, and Washington; and

(3) December 10 in all other states.

d. If you acquire an insurable share in any insurable acreage on or before the acreage